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Presentment Date: July 27, 2012

Time: 12:00 p.m.

Objections Due: July 27, 2012

Time: 11:00 a.m.

*Attorneys for Irving H. Picard, Esq., Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC
And Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

Adv. Pro. No. 08-01789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

**TRUSTEE'S MOTION FOR AN ORDER APPROVING THE
RETENTION OF LA TANZI, SPAULDING & LANDRETH, P.C.
AS SPECIAL COUNSEL *NUNC PRO TUNC* AS OF JUNE 7, 2012**

Irving H. Picard, Esq. ("Trustee"), as trustee for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS") and Bernard L. Madoff ("Madoff" and together with BLMIS, the "Debtors"), under the Securities Investor Protection

Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), by and through his undersigned counsel, Baker & Hostetler LLP (“Baker & Hostetler”), for his motion (the “Motion”) for authority to retain La Tanzi, Spaulding & Landreth, P.C. (“LS&L”), as special counsel to the Trustee, *nunc pro tunc* as of June 7, 2012, respectfully represents as follows:

Jurisdiction

1. This Court has jurisdiction over this Motion pursuant to SIPA section 78eee(b) and 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this SIPA liquidation case and this Motion are proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief sought herein are SIPA section 78eee(b)(3), sections 327(e), 328, 329, and 330 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, and Rule 2014 of the Federal Rules of Bankruptcy Procedure.

Background

3. On December 11, 2008, the Securities and Exchange Commission (“SEC”) filed a complaint in the United States District Court for the Southern District of New York against the Debtors (No. 08-CV-10791). The complaint alleged that the Debtors engaged in fraud through the investment advisor activities of BLMIS.

4. On December 15, 2008, Judge Stanton entered an order pursuant to SIPA, which, in pertinent part:

- a) appointed the Trustee for the liquidation of the business of BLMIS pursuant to SIPA section 78eee(b)(3);
- b) appointed Baker & Hostetler as counsel to the Trustee pursuant to SIPA section 78eee(b)(3); and
- c) removed the case to this Bankruptcy Court pursuant to SIPA section 78eee(b)(4).

5. On October 2, 2009, the Trustee commenced an adversary proceeding in this Court against Shana, Andrew, and Mark Madoff (collectively, the “Family Defendants”) (No. 09-01503) (the “Litigation”).

6. On May 4, 2012, the Trustee filed a Second Amended Complaint in the Litigation, alleging additional fraudulent transfers against the Family Defendants and adding certain of the Family Defendants’ spouses and ex-spouses—specifically, Susan Elkin, Stephanie S. Mack, and Deborah Madoff—as defendants in the Litigation. The Trustee’s allegations in the Second Amended Complaint relate to, among other things, the purchase of certain real property with funds originating from BLMIS or Madoff, including real property located in Massachusetts.

Relief Requested

7. Retention of LS&L was and is necessary to advise the Trustee regarding the Litigation and, in particular, the Trustee’s claims related to real property located in Massachusetts. Along with providing advice on Massachusetts law, the Trustee may require LS&L to draft and file documents, and otherwise appear in Massachusetts Superior or Land Court. LS&L may also advise the Trustee and Baker & Hostetler on other matters in respect of which the Trustee or Baker & Hostetler need Massachusetts real estate or litigation counsel. The Trustee, therefore, seeks to retain and employ LS&L as special counsel to the Trustee with regard to the Litigation, and any similar matters as directed by the Trustee, effective as of June 7, 2012.

8. The Trustee seeks to retain LS&L as special counsel because of its extensive experience in Massachusetts real estate and litigation in the Commonwealth of Massachusetts, and its expertise in representing interests in the Massachusetts Superior and Land Courts.

9. The services of LS&L are necessary and essential to enable the Trustee to execute faithfully his duties herein.

10. LS&L has indicated a willingness to act on the Trustee's behalf to render the foregoing professional services.

11. The Trustee submits that LS&L's provision of professional services to the Trustee is permissible under SIPA section 78eee(b)(3) and is in the best interest of the Debtors' estates and customers and creditors.

12. To the best of the Trustee's knowledge, and as set forth in the affidavit of Duane Landreth, Esq., attached hereto as Exhibit A, LS&L is disinterested pursuant to SIPA section 78eee(b)(6)(A) and does not hold or represent any interest adverse to the Debtors' estates in respect of the matter for which LS&L is to be retained.

13. LS&L will be compensated at agreed upon hourly rates, listed below, which reflect a reduction of its normal rates by ten (10%) percent. Pursuant to that certain Fee Agreement, executed by and between LS&L and the Trustee and effective as of June 7, 2012 (the "Fee Agreement"), LS&L shall maintain its current hourly rates in this matter for one year after the effective date of LS&L's retention, or until June 7, 2013. LS&L's rates are as follows:

Level of Experience	Discounted Hourly Rates
Partners	\$270.00
Associates	\$180.00

14. LS&L will submit monthly statements and file periodic applications for compensation and reasonable and necessary expenses with this Court pursuant to the Fee Agreement and the guidelines set forth in the Order Pursuant to Section 78eee(b)(5) of SIPA, Sections 105, 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016(a) and Local Bankruptcy Rule 2016-1 Establishing Procedures Governing Interim Monthly Compensation of Trustee Baker Hostetler LLP, entered by this Court on February 25, 2009 (ECF No. 126).

15. As of the date of this Motion, LS&L has incurred fees and expenses in the amount of \$7,044.90, representing fees of \$6,777.00 and actual and necessary expenses of \$267.90, for which LS&L has not yet sought compensation or reimbursement.

16. SIPC has no objection to this Motion and, pursuant to SIPA section 78eee(b)(3), SIPC concurs that the Trustee should be authorized to retain LS&L as special counsel for the purposes identified herein.

Notice

17. Notice of this Motion has been given to SIPC, the SEC, the Internal Revenue Service, the United States Attorney for the Southern District of New York, and, by way of ECF filing, all parties that have filed a notice of appearance herein. In light of the nature of the relief requested, the Trustee submits that such notice is good and sufficient, and no other or further notice is necessary or required.

WHEREFORE, the Trustee respectfully requests that the Court enter an order substantially in the form of Exhibit B attached hereto, (a) granting this Motion; (b) authorizing the Trustee to employ LS&L as special counsel for the purposes described herein, *nunc pro tunc*, as of June 7, 2012; and (c) granting the Trustee such other and further relief as is just and proper.

Dated: New York, New York
July 19, 2012

Respectfully submitted,

/s/ Marc E. Hirschfield

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of Bernard L. Madoff Investment Securities LLC
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